

## ***NEWS RELEASE***

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### **DeNUCCI CITES WORCESTER VENDOR FOR \$141,000 IN CHARGES TO COMMONWEALTH**

State Auditor Joe DeNucci reported today that Friendly House, Inc., a Worcester human services provider, charged \$138,100 in undocumented and inadequately documented expenses and \$3,190 in unallowable charges to its state contracts.

DeNucci's audit disclosed that the provider, a multiservice neighborhood center and a United Way agency, failed to maintain documentation to support \$38,170 it charged the Commonwealth for costs associated with the operation of a summer day camp in Leicester for Department of Social Services' (DSS) children. According to the audit, the vendor did not maintain documentation to support all of its billings to DSS, and billed DSS for expenses involving children who were not listed on the camp's attendance records.

Furthermore, DeNucci determined that discrepancies in attendance records for child care programs that the vendor operated under contract with the Office of Child Care Services accounted for another \$56,507 in undocumented documented charges.

In addition, DeNucci's audit revealed that the vendor had no attendance records to support \$43,423 in salary and fringe benefit payments for its executive director that were charged to the state.

Moreover, DeNucci's audit revealed that the provider billed the state \$3,190 for three employees' tuition costs, which are unallowable under state regulations

The provider replied that as a result of Auditor DeNucci's recommendations, it has implemented corrective action.

"Vendors of the Commonwealth are obligated to maintain written records to document all billings that are made to state contracts," noted DeNucci. "However, I am encouraged by Friendly House's positive response to my audit."



